



WEBINAR PRESENTACIÓN RESULTADOS FINANCIEROS 2022

GIGAS HOSTING, S.A.

24 de abril de 2023

En cumplimiento con lo dispuesto en el artículo 17 del Reglamento (UE) nº 596/2014 sobre abuso de mercado y en el artículo 227 de la Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión y disposiciones concordantes, así como en la Circular 3/2020 del Segmento BME Growth de BME MTF Equity (en adelante “BME Growth”) sobre información a suministrar por empresas incorporadas a negociación en el segmento BME Growth de BME MTF Equity, por la presente Gigas Hosting S.A. (en adelante “Gigas”, la “Compañía” o la “Sociedad”) comunica al mercado la presentación de resultados financieros consolidados del ejercicio 2022 del Grupo GIGAS que será utilizada en el *webinar* de presentación de resultados.

Dicho *webinar* o presentación de resultados se ha programado a través de una conferencia telemática que tendrá lugar el próximo miércoles 26 de abril de 2023, donde su Consejero Delegado y su Director Financiero explicarán los detalles de los resultados del ejercicio 2022, así como la evolución de las integraciones y los nuevos servicios convergentes, y que estará abierta a todos aquellos inversores, analistas y personas interesadas, que podrán seguir dicha presentación *online* y realizar las preguntas que consideren oportunas:

WEBINAR PRESENTACIÓN RESULTADOS 2023

FECHA Y HORA: Miércoles 26 de abril de 2023, 10:30am

ENLACE PARA INSCRIPCIÓN: <http://gigas.com/ResultadosGigas/FY2022>

En cumplimiento de lo dispuesto en la Circular 3/2020 de BME Growth se deja expresa constancia de que la información comunicada por la presente ha sido elaborada bajo la exclusiva responsabilidad de la Sociedad y sus administradores.

Alcobendas, 24 de abril de 2023

Diego Cabezudo Fernández de la Vega
Consejero Delegado
GIGAS HOSTING, S.A.

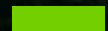


Diego Cabezudo
CEO



Javier Cañete
CFO

Full Year 2022 Results Presentation for Investors



APRIL

2023



Disclaimer



This document and the conference-call webcast (including the Q&A session) may contain forward-looking statements and information (hereinafter, the "Information") relating to GIGAS HOSTING S.A. or GIGAS GROUP (hereinafter "Gigas", the "Company" or the "Gigas Group"). This Information may include financial forecasts and estimates based on assumptions or statements regarding plans, objectives and expectations that make reference to different matters, such as the customer base and its evolution, organic growth, potential acquisitions, Company's results and other aspects related to the activity and financial situation of the Company. The Information can be identified, in some cases, through the use of words such as "forecast", "expectation", "anticipation", "projection", "estimates", "plan" or similar expressions or variations of such expressions.

The Information reflects the current view of Gigas with respect to future events, and as such, do not represent any guarantee of future certain fulfilment, and are subject to risks and uncertainties that could cause the final developments and results to materially differ from those expressed or implied by such Information. These risks and uncertainties include those identified in the documents containing more comprehensive information filed by Gigas, such as Annual Accounts or the Incorporation Memorandum (Sept. 2015).

Except as required by applicable law, Gigas does not assume any obligation to publicly update the Information to adapt it to events or circumstances taking place after the date of this presentation, including changes in the Company's strategy or any other circumstance.

This presentation and the conference-call webcast (including the Q&A session) contains or might contain non-audited financial information as prepared by Management. The information contained herein should therefore be considered as a whole and in conjunction with all the public information regarding the Company available, including any other documents released by the Company that may contain more detailed information. Neither this document nor the conference-call webcast (including the Q&A session) constitute an offer to purchase, sale or exchange any shares, a solicitation of any offer to purchase, sale or exchange of any shares, or a recommendation or advice regarding any shares.

FY 2022 Key Highlights



FY22 net revenues grew 18.0% YoY up to €61.6M fuelled by corporate transactions and organic growth



Adj. EBITDA €16.5M, 25.8% higher than the €12.1M of 2021 and 13.2% higher than the €14.6M budgeted for the year



Focus on **integrating companies** (4 acquisitions in 2021) and **launch of innovative convergent servs.** UCaaS provider TPartner acquired in 2022



Ops Cashflow €11.6M in 2022. Cash Position of €13.7M by end of year, despite almost €8.4M cash payments in M&A.







New Financing deal with 6 banks, up to €90M; €60M initially with potential for an additional €30M in case a large acquisition was to be made

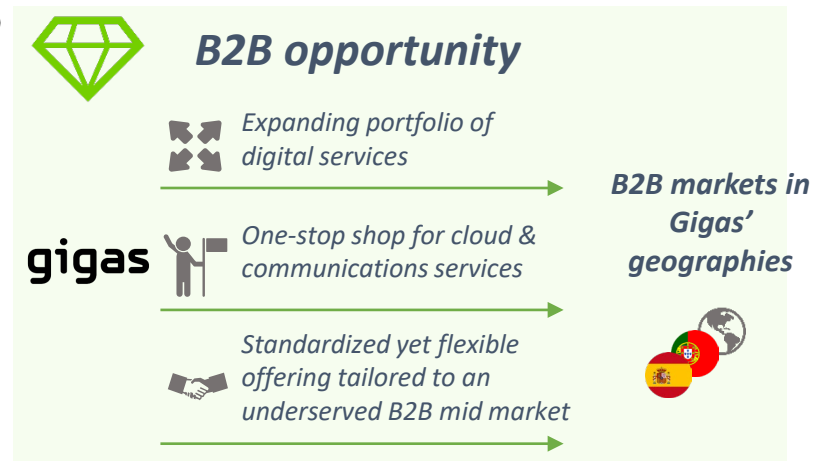
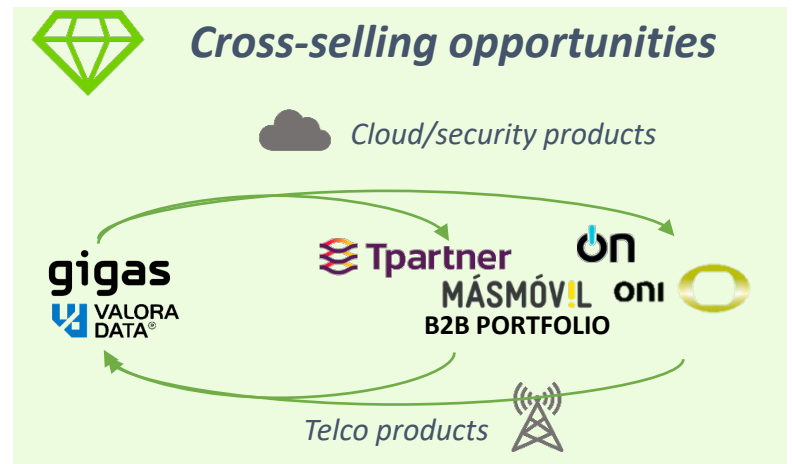


A B2B portfolio built for the digital era

Building a forward-looking service portfolio...

	Initial Services	Convergent Services
 Cloud	IaaS PaaS SAP™ Cloud	Hybrid and multi Cloud
 Cyber-security	Disaster recovery Cloud Backup Firewall as a service Disaster Recovery	SD-WAN Managed services Clean traffic Secure access service edge
 Connectivity	Internet connectivity Site interconnection	Flexible Fiber (pay per use) Global load balancing Secure remote access & VPN Private Cloud Connect
 Unified comms.	SIP Trunk VoIP Collaborative services Fixed Voice	Mobile communications Cloud PBX Fixed Mobile Convergence

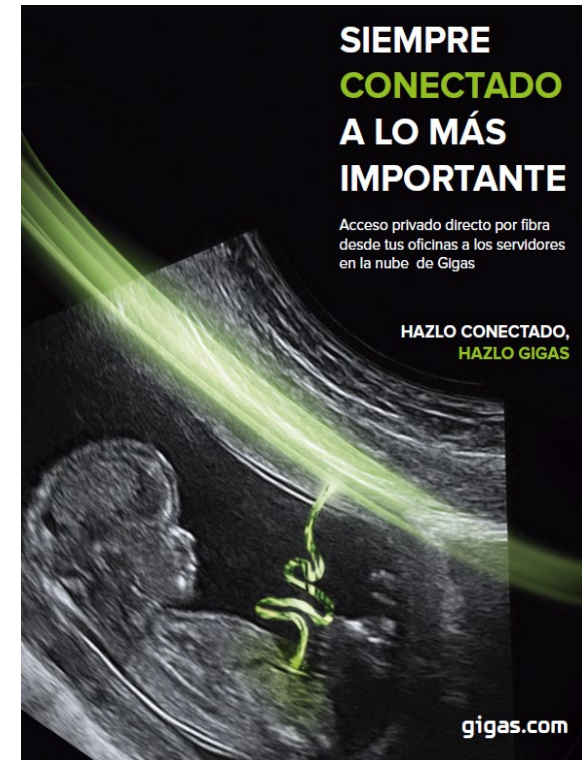
...unlocking significant value for Gigas and its clients



New Services: Bringing Telco, Cyber and Cloud together

New Innovative Convergent Services:

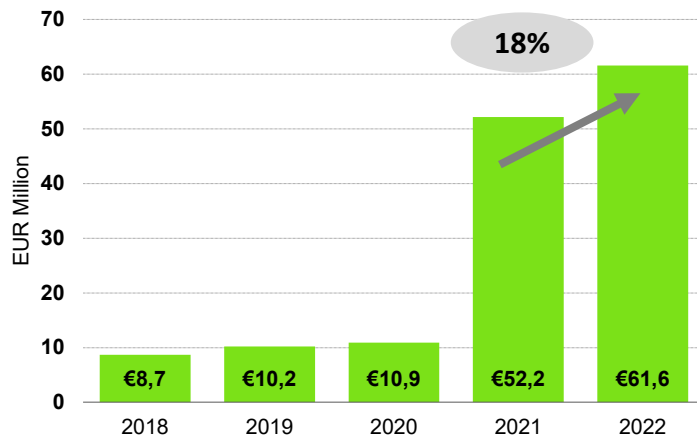
- **Fibra Flexible:** pay as you go, €1c per 100Mbps per hour
- **Private Cloud Connect:** Direct private fiber connection from your office to the Gigas cloud
- **gBackup:** New backup services launched, including workstation backups and antiransomware immutable backups
- **Cloud PBX:** Unified fixed mobile voice communications
- **Disaster and Recovery:** High availability services at the cost of backup services to provide affordable redundancy and security to business customers
- **Teams Voice:** Voice public services integrated with MS Teams



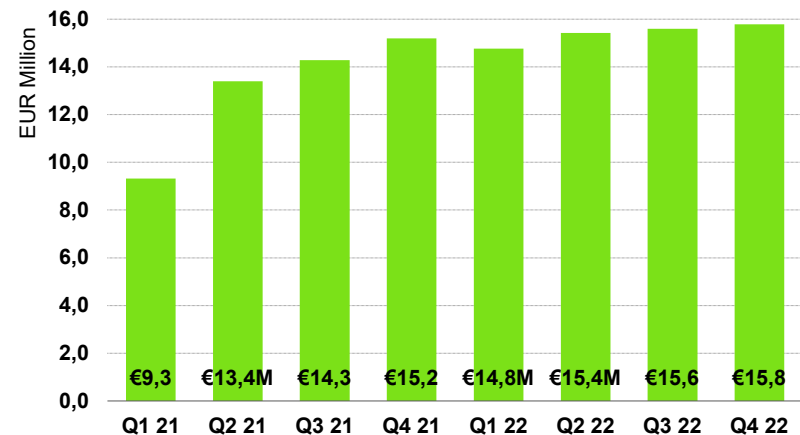
Revenues 2022

- **Net revenues reached €61.56 million in 2022, 18.0% higher than in 2021 (€52.18M).** Growth driven by the last 2 acquisitions closed in Sept 2021 (OnMovil) and Sept 2022 (TPartner) and by organic growth, specially in the cloud segment
- **Very good organic growth albeit impacted by portfolio acquired from MasMovil**
 - **Perimeter of MasMovil customer portfolio adjusted and a number of customers lost in the migration process, resulting in a significant reduction in size for this acquisition, heavily impacting 2022 growth.** Migration process now completed and a **€1.8M price reduction** agreed with MasMovil
 - Nevertheless, **rest of the business performed well in 2022, with 7.9% growth YoY.** Significant growth in **LATAM**, with **26.7% increase in revs over 2021**

ANNUAL NET REVENUES



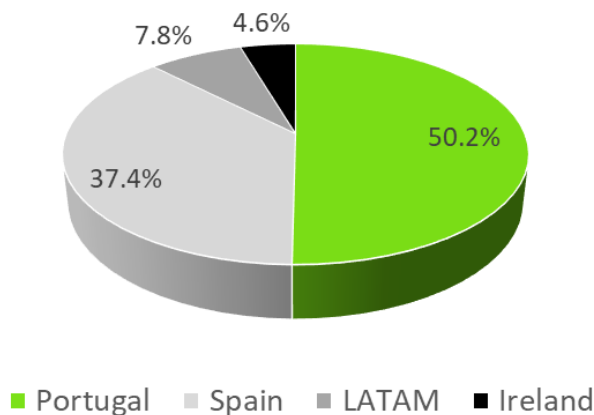
QUARTERLY NET REVENUES



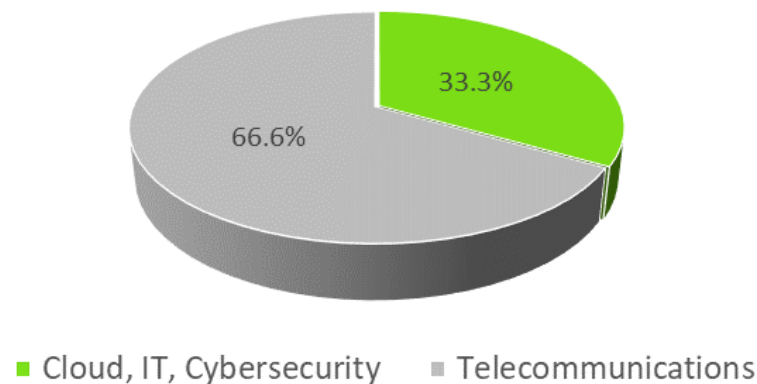
Revenue Split, Customers and ARPU 2022

- In terms of revenues, Telecom leads with **66.6%** of net revenues, followed by Cloud, IT and Cybersecurity with **33.3%**
- In terms of geographies, the **Iberian Peninsula contributes with 87.6%** of total net revenues (Portugal 50.1%), followed by LATAM (7.8%) and Ireland (4.6%).
- GIGAS had a total of **6,952 business customers by the end of 2022**, including 201 partner customers from ONMOVIL, who manage over 80,000 mobile lines.
- **Blended average monthly ARPU of €754,5 in 2022**, considering all revenues (telecom, cloud and cybersecurity) and all customer segments (SMEs, Corporate, etc.)

Revenue Distribution by Geography



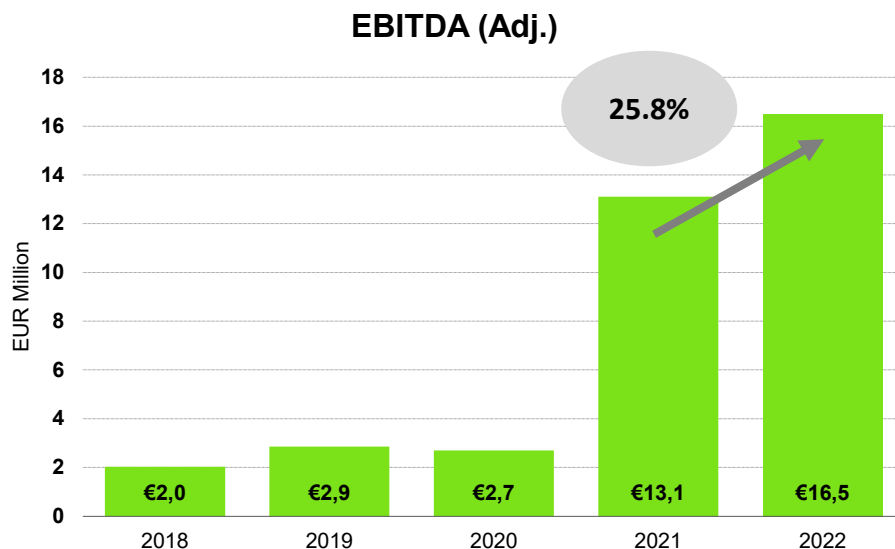
Revenue Contribution by Service



NOTE: For simplicity, revenues are now accounted by location of subsidiary, whereas historically they have been reported by location of the customer

Gross Margin and EBITDA 2022

- **Gross Margin of 61.9% during 2022, better than 58.8% of last year, and better than budgeted (56.7%),** due mostly to extraordinary saving related to renegotiated telecom contracts in 2022
- **Adjusted EBITDA reached €16.49M** (before long term remuneration plans and M&A and other extraordinary costs), **25.8% higher than previous year (€13.1M).** IFRS Conversion contributed with approx. €1.0M additional EBITDA in both years
- **EBITDA Margin was 26.8% over Revenues, higher than 2021 (25.1%),** due to higher gross margin, operating leverage and synergies obtained with acquisitions



2022 IFRS Results Compared to 2021 and Budget

GIGAS

CONSOLIDATED P&L

Figures in euros

	2022		2021		Budget 2021
	Jan-Dec	% Var	Jan-Dec	% Var	Jan-Dec
Net Revenues	61,555,737	18.0%	52,183,320	-7.5%	66,533,790
Cloud, IT & Cybersecurity Services	20,474,348	24.3%	16,475,902	4.0%	19,692,229
Telecommunications Services	40,960,030	14.9%	35,658,130	-12.6%	46,841,561
Extraordinary Income, Subsidies & O.	121,359	146.2%	49,288	-	-
Cost of Sales	(23,442,549)	9.0%	(21,499,611)	-18.7%	(28,839,886)
Direct Product Costs	(21,536,781)	9.3%	(19,698,007)	-18.8%	(26,537,720)
Operations and Technical costs	(1,905,768)	5.8%	(1,801,603)	-17.2%	(2,302,166)
		-		-	
Gross Margin	38,113,187	24.2%	30,683,709	1.1%	37,693,904
<i>Gross Margin %</i>	61.9%	5.3%	58.8%		56.7%
Personnel Costs	(11,304,027)	18.1%	(9,574,693)	0.6%	(11,236,906)
Salaries and Social Security	(13,874,925)	21.5%	(11,422,698)	2.7%	(13,516,091)
Capitalised R&D	2,570,898	39.1%	1,848,005	12.8%	2,279,186
Corporate Costs	(10,319,737)	29.0%	(7,997,208)	-13.2%	(11,892,760)
Customer Operations and Marketing	(3,721,985)	112.2%	(1,753,861)	-16.6%	(4,463,562)
Network, Operations and IT	(3,070,615)	-10.2%	(3,419,878)	-32.5%	(4,547,184)
Other Corporate Costs	(3,527,137)	24.9%	(2,823,468)	22.4%	(2,882,014)
Adjusted EBITDA	16,489,424	25.8%	13,111,809	13.2%	14,564,238
<i>Adjusted EBITDA %</i>	26.8%		25.1%		21.9%
				-	
Maintenance CAPEX	3,915,585	10.1%	3,556,687	-28.5%	5,473,332
<i>% over Revenues</i>	6.4%		6.8%		8.2%
				-	
EBITDA - Maintenance CAPEX	12,573,839	31.6%	9,555,122	38.3%	9,090,906
<i>% over Revenues</i>	17.2%		18.3%		13.7%

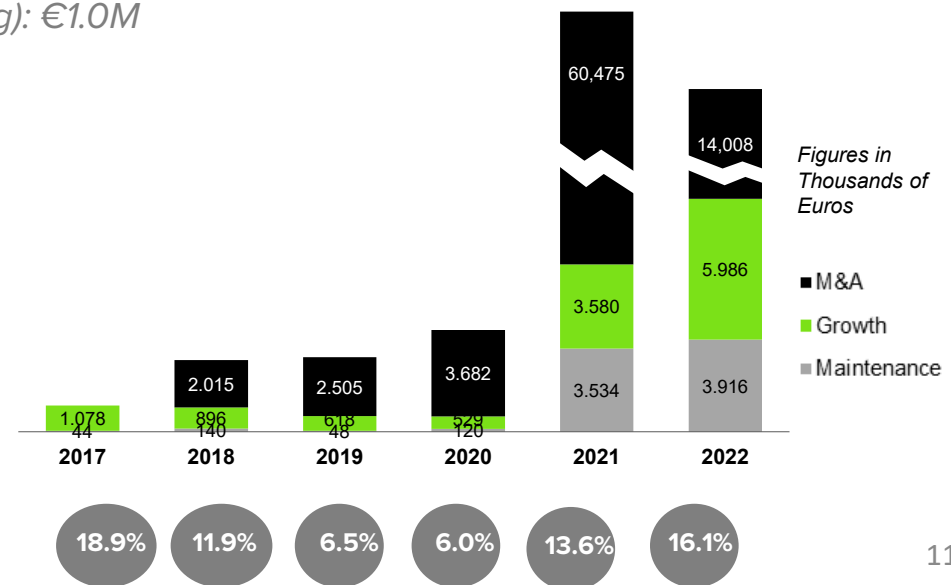
Other Financials

- **Amortizations grew to €13.56M** in 2022 (€12.12M in 2021) mostly related to Customer Relations. Goodwill is not amortized under IFRS criteria
- **Financial expenses** grew to €2.80M in 2022 (€1.90M in 2021), due to IRUs (*Indefeasible Rights of Use*, telecom infrastructure long term rental agreements) in ONI (€1.35M), financial expenses related to bank debt (€1.0M) and interest from convertible bonds (€0.35M)
- **Net Loss of €3.78M in 2022, from €2.10M in 2021**, mainly due to amortization increase of intangible assets and extraordinary items related to the MasMovil portfolio already mentioned
- **Cashflow from Operations reached €11.64M and cash at the end of the year amounted to €13.72M**
- **Net Financial Debt of €31.9M, representing a ratio of 1.9x EBITDA**



CAPEX 2022

- **CAPEX (excl. M&A and R&D) grew to €9.9M this year**, due to 10Gbps fiber deployment, new systems and platforms, migration and integration and full consolidation of ONI
- **Budget for the year was €10.9M** (€7.1M in 2021), and therefore **investment was one million euros lower than budgeted**, representing a Capex to sales ratio of 16.1%
- **M&A CAPEX represented €14M** in 2022 linked to TPartner acquisition. €7.05M paid this year in cash (including €1.2M of NFD adjustment) and €6.95M deferred
- **Main growth projects in 2022:**
 - GPON Network and other Fiber Deployment: €2.4M
 - SAC and Customer Installations: €1.2M
 - New Systems, Platforms and Services: €1.0M
 - Cloud Capacity (Storage and Computing): €1.0M



Capex to Sales
(excl. M&A)

Debt Evolution as of 31st DEC 2022

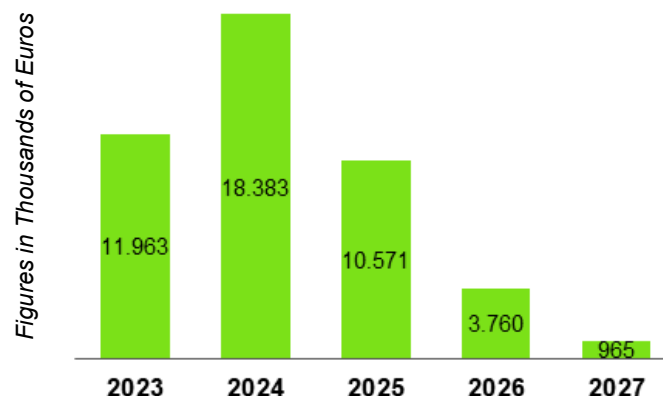
- Gross Debt at 31 DEC22 reached €45.6M.
- Cash at hand amounted €13.69M as of 31/DEC22, resulting in a **net financial debt position of €31.9M**, or **1.9x EBITDA 2022**
- Gross debt does not include convertible bonds (€2.5M) or long term rental agreements liabilities (IFRS 16 related) linked to the Lisbon datacenter and telecoms infrastructure indefeasible rights of use contracts (IRUs, €26.7M)

Figures in Euros

	DEC 2022	DEC 2021
R&D and Banks Debt LT	27.229.872	16.525.064
M&A Related Debt LT	6.450.000	2.177.500
R&D and Banks Debt ST	9.285.638	5.682.250
M&A Related Debt ST	2.677.500	5.305.000
GROSS FINANCIAL DEBT	45.643.010	29.689.814
Cash at hand	13.695.585	12.292.022
Net Financial Debt	31.947.426	17.397.792
Adj. EBITDA	16.489.424	13.111.809
NFD/EBITDA	1,94	1,33

- NFD/EBITDA calculated over adjusted EBITDA
- Convertible bonds not included as financial debt
- Current Investments included in Cash at hand (€144K)

Financial Debt Maturities



New Debt Agreement

- **Six Banks: Banco Santander, Banco Sabadell, BBVA, CaixaBank, HSBC and Deutsche Bank**
- A tranche of up to **€60M, secured by Santander Bank**, divided into 4 sub-tranches:
 - Tranche A: €36M, to substitute existing bank debt
 - Tranche B1 and B2: €16M, to finance growth CAPEX and small corporate operations.
 - Tranche RCF: €8M
- The **term of the Secured financing will be a maximum of 5 years.**
- Growing amortization scheme, with most amortization happening at the last year
- Interest rate will be EUR 3M or 6M plus a margin between 1.6% and 3.1% depending on the leverage ratio.
- The €60M is subject to **covenants related** such as maximum leverage or restricted dividend distribution
- **Permitted additional financing up to €5M, and a promissory note programme.**
- Additionally, there is an **uncommitted tranche of up to €30M** for large corporate deals, linked to certain requirements

2023 Budget

- **Net revenues estimated to reach €72.6M in 2023, 18.0% higher than in 2022 and representing an organic growth of 11%**
- **EBITDA to reach €17.3M, 4.7% higher than 2022** (lower growth due to lower gross margin as compared to the extraordinary margin of 2022)

CONSOLIDATED P&L	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	2023b vs 2022est
<i>Figures in euros</i>	Q1 23	Q2 23	Q3 23	Q4 23	2023b	% Var 2022est
Net Revenues	16,751,303	17,405,301	18,731,644	19,751,930	72,640,178	18.0% 61,555,737
Cloud, IT & Cybersecurity Services	6,596,652	6,949,232	7,284,355	7,964,922	28,795,161	40.6% 20,474,348
Telecommunications Services	9,929,652	10,231,068	11,222,289	11,562,008	42,945,017	4.8% 40,960,030
Extraordinary Income, Subsidies & O.	225,000	225,000	225,000	225,000	900,000	641.6% 121,359
Cost of Sales	(6,855,476)	(7,215,824)	(7,735,390)	(8,259,195)	(30,065,886)	28.3% (23,442,549)
Direct Product Costs	(6,351,359)	(6,696,770)	(7,204,770)	(7,734,680)	(27,987,579)	30.0% (21,536,781)
Operations and Technical costs	(504,117)	(519,054)	(530,621)	(524,515)	(2,078,307)	9.1% (1,905,768)
Gross Margin	9,895,827	10,189,476	10,996,254	11,492,735	42,574,292	11.7% 38,113,187
<i>Gross Margin %</i>	<i>59.1%</i>	<i>58.5%</i>	<i>58.7%</i>	<i>58.2%</i>	<i>58.6%</i>	<i>-5.3% 61.9%</i>
Personnel Costs	(3,382,468)	(3,374,869)	(3,365,321)	(3,389,121)	(13,511,779)	19.5% (11,304,027)
Salaries and Social Security	(3,980,249)	(3,972,649)	(3,963,101)	(3,986,901)	(15,902,900)	14.6% (13,874,925)
Capitalised R&D	597,780	597,780	597,780	597,780	2,391,121	-7.0% 2,570,898
Corporate Costs	(2,770,639)	(2,824,075)	(3,044,950)	(3,156,625)	(11,796,289)	14.3% (10,319,737)
Customer Operations and Marketing	(1,024,583)	(1,105,265)	(1,117,717)	(1,227,216)	(4,474,780)	20.2% (3,721,985)
Network, Operations and IT	(856,749)	(856,749)	(856,749)	(856,749)	(3,426,997)	11.6% (3,070,615)
Other Corporate Costs	(889,307)	(862,061)	(1,070,484)	(1,072,660)	(3,894,511)	10.4% (3,527,137)
	-	-	-	-	-	-
Adjusted EBITDA	3,742,720	3,990,532	4,585,983	4,946,989	17,266,225	4.7% 16,489,424
<i>Adjusted EBITDA %</i>	<i>22.3%</i>	<i>22.9%</i>	<i>24.5%</i>	<i>25.0%</i>	<i>23.8%</i>	<i>26.8%</i>



Share Evolution

- **Share ended at €10.30 in 2022** and it was influenced by high market volatility in the first months of 2023
- **Share Price closed at €8.20** on 21st of April, unfortunately below the price at start of the year but still a **significant premium (31.2%)** since last capital increase in Q4'20 (€6.25)
- At current prices, **market cap is €95.5M**
- Adding current Net Financial Debt, **Enterprise Value would reach €127.4M, which implies a multiple of 7.7x EBITDA 2022**, lower than most comparable companies
- **Analysts very positive about the Company. GVC Gaesco, for example, targets a €12.5 price** in its latest report

Investor relations contact:
investor@gigas.com
accionista@gigas.com



gigas

Thank you

